UNITED NATIONS

DP

Governing Council of the United Nations Development Programme

Distr.
GENERAL

DP/CP/COI/4
26 March 1992
ENGLISH
ORIGINAL: FRENCH

Thirty-ninth session
4-29 May 1992, Geneva
Item 6 of the provisional agenda

PROGRAMME PLANNING: COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

FOURTH COUNTRY PROGRAMME FOR THE COMOROS

Programme period	Actual resources programmed	$
1992-1996	Net IPF	11 133 000
	Estimated cost-sharing	-
	Total	11 133 000

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I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES

A. Current socio-economic situation

1. The economic crisis which the country had been experiencing since 1986 became more acute as a result of the unfavourable world economic situation (deterioration in the terms of trade) and the negative effects of certain economic policies which had been in place for a number of years.

2. The current economic situation shows a low rate of investment, a deficit balance of payments (20 per cent of the gross domestic product (GDP) not counting external assistance received in 1990), an imbalance in public finance, a very heavy external debt burden (with debt servicing consuming 26 per cent of exports despite the cancellation by France of a debt amounting to 180 million French francs) and a depression of social indicators (an average annual decline in income of 1.8 per cent from 1986 to 1989, increasing unemployment and underemployment, deterioration of social and educational services). Those problems are rendered more acute by many risk factors: galloping population growth (annual rate of growth at 3.3 per cent), environmental depredations, dependence on three export crops (ylang-ylang, vanilla, sunflowers) and a shrunken domestic market.

B. National development objectives and strategies

3. To overcome the crisis, the authorities negotiated a Structural Adjustment Programme 1991-1993 (PAS) with the Bretton Woods institutions, supported by a series of economic stabilization and sound finance measures designed to stimulate renewed growth.

4. It should be noted that in the absence of a national plan, the overall national development strategy for the next two years is set out in the Comoros' Basic Economic Policy Document, the Letter of Intent signed with the International Monetary Fund (IMF) in May 1991 and the Development Letter signed with the World Bank in June 1991.

5. For the 1991-1993 phase, the economic policy, as laid down in the PAS documents and reaffirmed by the Government at the Geneva Round-Table Meeting held in June 1991, aims for an annual GDP growth of 3 per cent, an inflation rate limited to 4 per cent a year and the elimination of all domestic and external arrears. To achieve those objectives, the policy will be geared to the following guidelines:

(a) Liberalization of foreign trade and development of the private sector;

(b) Strengthening of macro-economic management capacity;

(c) Strict management of public resources (increase in revenue and reduction in current and capital expenditure, elimination of bureaucratic red tape, rationalization in the administration of public utilities - water supply, electricity, telecommunications, etc.)

(d) Implementation of a realistic public investment programme (PIP) amounting to 43.6 billion Comorian francs prioritizing growth-oriented activities (maintenance of the road network, opening up of potential agricultural areas, export crop development and diversification, increasing food crop productivity, fisheries development, soil protection and conservation, etc.).

6. However, the PIP's emphasis on directly growth-oriented activities should not overshadow the efforts to be exerted in the fields of education, health and social action (spacing of births, upgrading of the status of women, rehabilitation of schools and hospitals, etc.). Those efforts reflect the Government's resolve to make human development its key medium- and long-term objective while recognizing that the austerity measures it will have to impose in the short term will allow for only a modest improvement in the human development index (0.274 in 1990).

II. EXTERNAL COOPERATION

A. Role of external cooperation

7. External resources are unquestionably vital given the precariousness of the situation in all areas (economic, social, administrative). In 1990, for which the most recent data are available, the Comoros received a total of US$ 47.8 million in external assistance, broken down by nature and sector as follows: technical assistance (43.0 per cent), capital aid (27.9 per cent), budgetary support (19.2 per cent), aid in kind (mainly food aid) (9.9 per cent), education (21.8 per cent), health (10.4 per cent), transportation (9.0 per cent), agriculture, fisheries and forests (17.4 per cent) - representing in each case the percentage of total assistance.

8. France heads the list of principal donors of both technical and capital assistance (49.5 and 40.8 per cent respectively of the overall resource allocation). Additional donors include the European Communities Commission/European Development Fund (CEC/FED) (mainly agriculture, fisheries and infrastructure), Japan (fisheries), China, the United States, the World Bank (mainly health, population, education and road maintenance), UNDP (nearly 40 per cent of United Nations technical assistance and 5.4 per cent of total technical assistance) (mainly health, education, agriculture and strengthening of administrative capacity) and the World Food Programme (WFP) (rural development). The African Development Bank (ADB) should step up its assistance in 1992 after a period beginning in 1988 when it was less than enthusiastic.

B. Aid coordination arrangements

9. Aid coordination within the Government rests with the Ministry of Foreign Affairs and Cooperation in collaboration with the Ministry of Finance, Budget, the Economy, Trade and Planning. It is supported at the local level by (a) monthly information and consultation meetings of the donors represented in the Comoros (Fund for Aid and Cooperation (FAC), Central Economic Cooperation Fund (CCCE), European Communities Commission/European Development Fund (CEC/FED), Belgium, United States, South Africa, UNDP, IMF, World Health Organization (WHO and UNICEF), strengthened by periodic joint project visits; (b) bimonthly meetings of the Ministerial PAS Follow-up Committee chaired by the Minister of Finance with the donor representatives; and (c) UNDP-initiated review and appraisal meetings (beginning in April 1991) on the environment, the private sector and the role of the non-governmental organizations (NGOs)).

10. The United Nations system is represented through the UNDP Resident Representative, whose task of coordinating operational activities is greatly facilitated by support from the Government and the specialized agencies. The quality of that collaboration is enhanced by frequent working meetings of UNDP/WFP/UNFPA (United Nations Fund for Population Activities) with WHO/IMF/UNICEF representatives.

11. In order to broaden the range of funding sources while ensuring coherence among the various contributions, the Government has requested UNDP assistance in organizing round-table meetings. Donor pledges at the Second Round-Table Meeting held at Geneva in June 1991 justify a reasonably optimistic outlook for greater efforts on the part of the active donors as well as resumed or further cooperation with old and new development partners. The sectoral round-table meetings scheduled for 1992 should further clarify strategies and assistance forthcoming in the key areas of agricultural development, private sector expansion and administrative and institutional reform.

III. THE COUNTRY PROGRAMME

A. Assessment of ongoing country programme

12. The objectives of the third country programme for the Comoros (which coincides with the fourth UNDP programming cycle) were as follows:

(a) To increase food self-sufficiency and achieve a higher degree of food security;

(b) To improve the quality of life, particularly in the rural areas;

(c) To promote productive employment and training;

(d) To strengthen the Government's economic management capacity.

13. The results of the implementation of that programme are very mixed.

14. Of the five projects approved before 1990 for strengthening economic management capability, not one achieved results. In contrast, the expert advice funded since 1990 out of MDP/LDC (Management Development Programme/Least Developed Countries) allocations and the IPF (indicative planning figure), both national and regional, for purposes of the preparation and negotiation of the PAS package were successful.

15. The massive aid provided by the United Nations Volunteers (UNV) (almost 1800 m/h from 1987 to 1991) was of crucial importance in the fields of education and health. Unfortunately, that conclusion, which was emphasized by the June 1991 evaluation mission, cannot be viewed in isolation: it must be seen in the light of the failed attempt to replace them by Comorian personnel.

16. The results of the rural development assistance were disappointing notwithstanding isolated successes (the effectiveness of strengthening technical personnel training was undermined by administrative red tape and a meagre operating budget and only a small number of peasants joined in the various anti-erosion packages at Anjouvan even though they were technically a success.

17. The mid-term review of the programme in June 1990 identified the following reasons for the failure of the aid programme:

1. Problems of recruiting experts because living conditions were difficult;

2. Failure to unfreeze matching funds in time owing to budgetary restrictions and the drying-up of Government funds;

3. Weakness of some government departments and excessive rotation of national managers;

4. Insufficient motivation of some national personnel and the exodus caused by the attractive working conditions and wages offered abroad;

5. Cumbersome and inflexible character of many administrative procedures;

6. Dispersal of UNDP resources in a great many small-scale projects designed without much thought for their coherence and, as a corollary, compartmentalization of efforts and a search for partial solutions.

B. Proposals for UNDP cooperation

1. Preparatory process

18. This programme document is based essentially on (a) an analysis of data relating to the strategy for emerging from the economic crisis in stages, as defined by the Structural Adjustment Policy (the Basic Economic Policy Document, the Letter of Intent, the Development Letter); (b) the findings of the mid-term review of the third country programme (June 1990); (c) the UNDP advisory note, product of a continuing economic policy dialogue with the government authorities and the donors represented at Moroni; and (d) the records of the June 1991 Round Table. NaTCAP (National Technical Cooperation Assistance Programme) was not yet sufficiently advanced to make that exercise part of the current programme.

2. Strategy for UNDP cooperation

19. The need to eliminate the difficulties mentioned above and to recognize the flexible and impartial dynamic of UNDP cooperation and the areas in which its comparative advantages have been evident argue in favour of a global policy guided by the following three principles:

1. UNDP assistance in particularly sensitive areas where application of the theorem "acquired experience/objectivity" becomes essential (economic management implementation of PAS, organization of general and sectoral round tables);

2. Coherent grouping of clusters of projects or framework-programmes which fulfil the threefold imperative of the promotion, coordination and complementarity of assistance (a corollary of the definition of "programme" advocated by the United Nations General Assembly);

3. Maximizing of efforts to establish a flexible and effective administrative machinery, combined with the assignment of responsibilities to the grass-roots communities.

20. Application of those guiding principles implies the adoption of a matrix of future activities that meets the conditions described below.

21. For each priority activity, the programme for the Comoros will endeavour to identify the obstacles to development and to propose a combination of operations designed to eliminate them. They will be removed in accordance with a clearly defined logical order. Operations will be grouped in accordance with two basic criteria: (1) A coherent linkage will be created among the components of each activity; in financial terms the linkage will apply to each sector, first in that it will be designed as an umbrella project, smoothly combining the various fundings to be controlled by the Administrator and secondly, in that those umbrella operations will be

integrated in the sectoral strategy worked out by the Government in the light of the total resources available (technical and capital assistance provided by the United Nations system and other donors); (2) The interaction and reciprocal backstopping of the activities of each sector should create "bridges" between the priority sectors.

3. Proposed UNDP cooperation in selected areas of concentration

22. An analysis of the economic situation in the Comoros clearly indicates that progress towards sustainable development is contingent on the solutions applied to the problems created by the PAS (reduction of the fiscal deficit, increase in the gross investment rate, reversal of the balance-of-payments trend, administrative restructuring and shifting of responsibility to the local communities, promotion of socio-economic activities favouring the most disadvantaged population groups in the context of the present crisis and the structural adjustment). It is also contingent on the rapid implementation of an effective environmental protection policy (the fragility of the ecosystem is aggravated by the small size and the insularity of the country). Lastly, it will depend on control of the demographic problem in the medium term. For all those reasons and in conformity with decision 90/34 of the UNDP Governing Council, four sectors directly concerned in resolving the problems cited earlier can be selected as areas for the concentration of resources: (a) economic management, including the administrative reform aspects; (b) private sector development; (c) eco-agriculture, particularly development of agricultural production and protection of the environment; and (d) health.

23. In order to develop the necessary coordination among those activities, see that they get off to a quick start and derive the most benefit from their interaction, a series of backstopping operations must be established aimed essentially at getting the people to adopt techniques and attitudes conducive to development and at establishing links between the four priority areas of the programme. Those backstopping services will focus most especially on demographic problems.

24. The distribution of IPF resources by area of concentration will be broadly as follows: economic management, 17 per cent; private sector, 25 per cent; eco-agriculture, 22 per cent; health, 21 per cent; backstopping services, 10 per cent; reserve, 5 per cent.

25. Apart from the activities in the field of health (mainly with UNV assistance), no project of the 1987-1991 programme will be continued beyond April 1992, it being understood that certain projects and programmes described below began in 1991 with funds borrowed from the 1992-1996 cycle.

26. UNDP assistance to the Comoros constitutes a framework for the operational activities of the United Nations system and its guidelines incorporate the direct inputs and the parallel contributions of the other donors for each proposed operation.

27. Economic management, including administrative reform. The purpose of the assistance requested of UNDP in this priority area is to "strengthen management and planning capacity" and administrative reform. The economic management item will be expanded and strengthened by incorporating MDF funds and bringing it into line with the FAC inputs and the World Bank macro-economic management credit. The programme should restore the soundness of the public sector and provide it with a flexible and effective management model; it should strengthen project design and analysis capacities (coherence and follow-up) as well as the dialogue with donors. It should also allow for an optimal mobilization of external technical and capital assistance and the initiation before mid-1993 of a discussion on a long-term development perspective. In project preparation, special attention will be given to the TCDC (Technical Cooperation among Developing Countries) aspects, the integration of women and environmental protection.

28. The administrative reform project will be part of a well-ordered series of measures defined by source of funding and type of activity as follows: FAC will fund the census of the civil service, the computerization of salaries and allowances, reform of rules governing personnel categories and decentralization; CEC/FED will finance on-the-job and advanced training and aid to those who voluntarily leave their jobs; and UNDP will finance assistance in coordinating PAS activities generally, the restructuring of government services, the development of categorics of supervisory staff and assistance in retraining or recruiting civil servants for the regional administration or the private sector.

29. The effect of these activities should be to reduce the wage bill borne by the State (1992) by about 15 per cent, to provide an accurate job description for staff of the various government departments and services (1992-1993) and gradually to dissolve administrative bottlenecks (accelerate decision-making, decentralize and eliminate government intervention in areas not of its competence). Adequate wage levels, competent staff and consistent staff rules will be the bulwarks of the new public administration.

30. In addition, the "general census of population and dwellings" will supply a sampling basis for future socio-economic priority studies as part of PAS. Given the budgetary restraints on UNFPA, UNDP, in collaboration with other donors (CEC/FED and FAC) has decided to make a contribution to the success of the operation.

31. The general framework for this priority area of focus is supplied by the Structural Adjustment Programme which is supported by UNDP, the World Bank, CEC/FED and FAC in coordination with the Government through the permanent technical and follow-up committee of PAS.

32. Private sector development. The basic support programme for private sector development formulated with UNDP assistance has the following short-term goals: (1) to establish a complex of legal and administrative rules favouring the development of private commercial and industrial activities (applicable to national and foreign investors); (2) to salvage the

small and medium-sized enterprises (SME) that are experiencing difficulties; (3) to start new small and medium-sized enterprises (about a dozen); (4) to enlarge the social base of entrepreneurs (by providing help in setting up micro-enterprises - a hundred - and auxiliary networks); and (5) to promote growth-oriented savings.

33. A series of lines of credit will be established around a core of technical assistance financed mainly by UNDP and its associated institutions in the regions (sub-contracting to NGOs) through funding provided by CEC/FED, CECF, ADB, the United Nations Development Fund for Women (UNIFEM) (women entrepreneurs), the United Nations Capital Development Fund (UNCDF) (micro-enterprises and rural credit) and UNDP (a guarantee fund for rural activities and subsidies to finance activities reducing or eliminating threats to the environment). Other donors will also be solicited.

34. Eco-agriculture. Eco-agriculture activities in the broadest sense (rural development and environment) will be directed to achieve three objectives: (1) an environmental protection programme; (2) rural development and anti-erosion measures; and (3) opening up of areas with strong agricultural potential.

35. The environmental protection programme will involve the strengthening, both technical and institutional, of the government Environment Department established at the end of 1990 (in particular, by entering into relations with university centres and research institutes), drawing up a national environmental protection plan and a file of detailed projects to be submitted to the Global Environment Facility (GEF) as well as specific activities chiefly relating to reforestation and the protection of water sources (wells), the protection of ocean ecosystems, urban sanitation (national and foreign NGOs will be in charge of many of these activities). In any case, a special effort will be made to reconcile the immediate interests of the population with environmental protection requirements since such a convergence of interests is a basic guarantee of a sustainable policy. That effort will also be a major concern of the joint International Fund for Agricultural Development (IFAD)/UNDP Anjouvan project.

36. The IFAD Anjouvan rural development project is aimed at mobilizing the peasants in the south-east of the island in an attempt to halt soil degradation before it becomes irreversible. IPF-financed technical assistance will consolidate and extend the knowledge acquired from the UNDP/FAO anti-erosion project by undertaking a campaign at the community level based on the interests of all segments of the population, particularly women and young people. UNDP/IFAD activities will be closely coordinated with the Ministry for Integrated Rural Development and Agricultural Research at periodic consultative meetings.

37. The net effect of the operation should be a slow-down, followed by a halt, in soil degradation together with an increase in the peasants' cash income (with savings being applied to small growth-oriented investments).

38. UNDP, FAC and the World Bank will provide technical support for the road maintenance programme and the team will be completed by assistance from CEC/FED and UNCDF for the construction of rural access roads.

39. Health. UNDP assistance is requested for the framework health programme for purposes of (1) recruiting and training doctors and paramedics and participating in the anti-AIDS and anti-malaria programmes; (2) providing UNV doctors with needed physical equipment; (3) developing a strategy, with the help of other donors, for rebuilding Comorian medical expertise so that the country's dependence on UNDP assistance can gradually and selectively be terminated; (4) finding parallel financing for the purposes stated in (2) and (3) and for establishing a health services management system (building maintenance, village pharmacies) based on community participation and responsibility. Special attention will be given to this question by WHO, UNICEF, the World Bank and UNDP; they have decided to combine their funding efforts by capitalizing on the results of the pilot programme undertaken in a joint UNCDF/UNDP project.

40. Support services for the programme will consist of two small-scale projects (short study tours and seminars relating to the four areas of focus: logistical support designed chiefly to facilitate the purchase of standard project equipment and a framework information/communication programme aimed at reaching target population groups (women, students, village associations, civil and religious authorities, etc.) and to deliver key messages concerning environmental protection, spacing of births, the status of women, agricultural techniques, entrepreneurial initiative, health, administrative decentralization and regionalization, etc.). This framework programme will be an essential instrument in promoting a fruitful interaction among the activities of various areas of focus and between those activities and those funded by other donors.

4. Human resources development

41. In terms of the priority themes of the UNDP Governing Council's decision 90/34, it becomes clear that some of the programme's areas of focus are substantially identical to those themes (management capacity-building environmental protection). Other areas of focus strongly reflect those themes either in their objectives (e.g. the efforts to end poverty and protect the environment constitute the very essence of eco-agriculture and private sector development will place special emphasis on training women entrepreneurs and on crafts or industries geared to reduce or eliminate environmental damage) or in the means of achieving those objectives (women's organizations will be a major driving force in promoting environmental protection). Other themes are threaded through certain areas of concentration, such as technical cooperation for development (DTCD), transfer of technology and the anti-poverty campaign as aspects of private sector development.

42. While it was not specifically referred to, human resources development is a concern intertwined with every area of focus either because its activities constitute a precondition for establishing favourable circumstances for human development or because they serve as a stimulus for such development.

5. Complementary assistance

43. UNDP assistance, as stated earlier, was designed as a component of framework-programmes or clusters of projects that incorporate inputs from various donors or seek financing for priority operations (large-scale environmental projects, system of round-table meetings). Even though the linkage between this assistance from multiple sources is clear from the description of proposed activities for each area of focus, mention should be made of the funds which are the responsibility of the Administrator of UNDP (UNCDF/UNIFEM) and UNDP's partners in the Joint Consultative Group on Policy (JCGP), namely, UNFPA, UNICEF, WFP and IFAD.

44. UNCDF activities link up with UNDP private sector development efforts (line of credit for micro-enterprises and rural credit), health (UNCDF/UNDP co-financing of a project to set up health services based on active grass-roots participation) and rural development (construction of rural access roads on the three islands).

45. UNIFEM's activity will be geared to private sector development (line of credit and training of women entrepreneurs) and eco-agriculture.

46. The UNFPA programme (1989-1993) will provide assistance in achieving the objectives of the priority areas dealing with economic management capacity-building (the "census" project for which the various line items are funded by UNFPA, UNDP, CEC/FED and FAC) and the "health" project (maternal and child health and spacing of births - priorities of both UNFPA and UNDP - to be carried out by the UNV doctors).

47. UNDP's collaboration with UNICEF, WHO and the World Bank will be focused on developing mechanisms for local community management of the health sector and providing basic equipment and drugs to the UNV doctors.

48. WFP is involved in an integrated rural development programme (1990-1993), 80 per cent of which consists of operations designed to achieve soil conservation, reforestation, improvement of village infrastructure and seed production. It is totally integrated with UNDP activities under the heading of eco-agriculture. The balance of WFP funds will be used for food aid for health teams.

49. IFAD's hitherto modest participation will be strengthened in close cooperation with UNDP and WFP in the rural development work at Anjouvan.

50. As a Member of the United Nations, and a member of the Organization of African Unity (OAU), the Economic Commission for Africa (ECA) the Commission on the Indian Ocean and the Preferential Trade Zone, the Comoros expect to benefit from UNDP assistance to regional and interregional projects consistent with its national objectives (the priority areas of activity of the country programme).

C. Assistance outside selected areas of concentration

51. No assistance has been requested outside the areas of concentration discussed above.

D. Implementation and management arrangements

52. Programme-approach. The Government is well aware of the advantages of the programme-approach and is prepared to apply it wherever possible to its priority programmes with a view to marshalling all the necessary national and external components for the achievement of its national goals.

53. The specific circumstances of the Comorian Administration lead it to favour a gradual and selective transfer of responsibility for project management. The executing agencies will be associated with implementing the programme in the first few years. Plans to transfer operations will be designed in stages: the first phase of launching projects will generally be traditional, i.e. execution by the agencies; the second phase should aim to put in place a national executing capability within one to three years after the beginning of activities.

54. Follow-up and evaluation. The programme will be reviewed annually by the Government and will be subjected to a mid-term review in 1994 in which the United Nations system and the principal donors will participate.

Annex I

FINANCIAL SUMMARY

I. ESTIMATED RESOURCES (IPF + cost-sharing) TAKEN INTO ACCOUNT FOR PROGRAMMING

(Thousands of dollars)

Carry-over from fourth cycle IPF	(0.420)	
Fifth cycle IPF	11.553	
Subtotal IPF		11.133
Project cost-sharing (Government)	-	
Project cost-sharing (third party)	-	
Programme cost-sharing	-	
Subtotal cost-sharing		-
TOTAL		11.133

II. ALLOCATION OF RESOURCES (IPF + cost-sharing) BY AREA OF CONCENTRATION

Area of concentration	IPF	Cost-sharing	Total	Percentage of total resources
Macro-economic management	1.891	-	1.891	17
Private sector	2.800	-	2.800	17
Eco-agriculture	2.410	-	2.410	22
Health	2.387	-	2.387	21
Programme support services	1.103	-	1.103	10
Subtotal	10.591	-	10.591	95
Unprogrammed reserve	0.542	-	0.542	5
TOTAL	11.133	-	11.133	100

/...

III. COMPLEMENTARY ASSISTANCE FROM OTHER SOURCES* USED IN AREAS OF CONCENTRATION

		(Thousands of dollars)
A. UNDP-administered funds		
Special resources (MDP)	0.850	
UNCDF**	6.300	
UNIFEM	0.100	
Subtotal		7.250
B. Other United Nations resources		
GCMP/JCGP		
UNFPA	0.700	
UNICEF	0.500	
WFP	3.500	
IFAD	4.700	
Other United Nations agencies (non-UNDP financed)	-	
World Bank	13.000	
WHO	1.300	
FAO (TCP)	0.142	
Global Environment Facility (GEF)***	-	
Subtotal		23.842
Total non-core and other United Nations resources		31.092
C. Non-United Nations resources		
CEC/FED	5.500	
CECF	0.900	
FAC	3.300	
Subtotal		9.700
TOTAL		40.792

* Includes only specific commitments financed by special resources.

** The figure covers projects now approved and projects to be approved in 1992. Other projects to be identified at a later stage in cooperation with UNCDF will relate to the areas of concentration of the country programme.

*** The amount cannot be specified until the eco-agriculture activities have begun.

Annex II

PROGRAMME MATRIX

Area of concentration	Area of focus a/					
	Poverty eradication and grass-roots participation	Environment and natural resource management	Management development	TCDC	Transfer and adaptation of technology	WID
I. PROGRAMME FRAMEWORK: MACRO-ECONOMIC MANAGEMENT			*	*	*	*
II. PROGRAMME FRAMEWORK: PRIVATE SECTOR SUPPORT	*	*	*	*	*	*
III. PROGRAMME FRAMEWORK: ECO-AGRICULTURE	*	*		*	*	*
IV. PROGRAMME FRAMEWORK: HEALTH	*			*		*
V. PROGRAMME SUPPORT SERVICES	*	*	*	*	*	*

a/ Asterisks indicate major linkage only.

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of the
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Development Programme

Distr.
GENERAL

DP/CP/COI/NOTE/4
26 March 1992
ENGLISH
ORIGINAL: ENGLISH/FRENCH

Thirty-ninth session
4-29 May 1992, Geneva
Item 6 of the provisional agenda

FOURTH COUNTRY PROGRAMME FOR THE COMOROS

Note by the Administrator

I. THE PREPARATORY PROCESS

1. The fourth country programme for the Comoros (1992-1996) is the result of a continuous economic policy dialogue about the adjustment and development needs of the economy. The consultations, which began during the mid-term review of the third country programme in June 1990, actively involved the Government of the Comoros, UNDP, the various organizations of the United Nations system and the representatives of the major donors. The programme coincided with the adoption of the Structural Adjustment Programme 1991-1993, prepared in close collaboration with UNDP. It takes into account the views expressed at the donor Round-Table Meeting held at Geneva in June 1991 and it reflects a strong consensus among the development partners based on common perceptions of development priorities and modalities.

2. The advisory note was based on a thorough analysis of the data relating to the strategy for recovering from the economic crisis, the findings and recommendations of the mid-term review of the third country programme and wide-ranging consultations with the principal donors and the United Nations agencies and in the Joint Consultative Group on Policy, in particular with the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA), the World Food Programme (WFP) and the International Fund for Agricultural Development (IFAD). An active effort to establish complementarities with the other partners was the focus of the programming exercise. The programming has also been enriched by the discussions held by the donors at the Round-Table Meeting (June 1990).

3. The areas of concentration and the strategy for UNDP cooperation were defined on the basis of the priorities selected by the government authorities (Ministry of Finance, Budget, Economy, Trade and Planning) and the guidelines

for cooperation provided by the United Nations (General Assembly resolution 44/211 and UNDP Governing Council decision 90/34). UNDP's comparative advantages in technical cooperation were also taken into account.

II. ANALYTICAL COMMENTARY ON THE COUNTRY PROGRAMME

4. An analysis of the country's development situation indicates that progress towards sustainable development will depend on the solutions applied to economic matters generally, as described in the documents of the Structural Adjustment Programme and reaffirmed by the Government at the donor Round-Table Meeting at Geneva in June 1991 (liberalization of external trade and private sector development, strengthening of macroeconomic management and strict management of public funds and institution of a realistic public investment programme (PIP) that accords priority to growth-oriented activities). It will also depend on the speedy establishment of a vitally needed effective environmental protection policy and a demonstration of concern for human development.

5. The programme covers four major areas of intervention: macroeconomic management capacity-building, private sector development, eco-agriculture and health. Those interventions will be supplemented by a framework information/communication programme intended to convey to target groups of the population certain key messages concerning environmental protection and conservation, family planning, the status of women, agricultural techniques, health, administrative decentralization and regionalization, etc.

6. In the first area of concentration, macroeconomic management capacity-building, the assistance requested from UNDP will strengthen management and planning capacity and administrative reform. UNDP support will be expanded by incorporating complementary funds from the Management Development Programme (MDP), the Fund for Aid and Cooperation of France (FAC), the World Bank and the European Economic Community/European Development Fund (EEC/FED). It will have the effect of placing the public sector on a sound footing and providing it with a flexible and effective management model, as well as a precise definition of functions. It will also strengthen capacities for project design, analysis and follow-up and, by reinforcing the dialogue with the donors, it will make possible an optimal mobilization of external assistance.

7. The second area of concentration, private sector development, will have as its immediate objectives the elaboration of legal and administrative rules conducive to the development of private commercial and industrial activities, the revitalization of small- and medium-sized enterprises (SMEs) that are in economic trouble, the establishment of a dozen or so SMEs, enlargement of the base of entrepreneurs and generation of growth-oriented savings. A series of credit lines will be established by additional funding from the EEC, the Central Economic Cooperation Fund (CCCE), the African Development Bank (ADB), the United Nations Development Fund for Women (UNIFEM) and the United Nations Capital Development Fund (UNCDF).

8. The area of eco-agriculture will cover environmental protection and conservation, anti-erosion activities, rural development and the opening up of areas with high agricultural potential. The net effect of the programme should be a slowing followed by a halt in the process of soil degradation in conjunction with an increase in the peasants' cash income. In addition, UNDP will help the Government to prepare a national environment plan and assist in the institutional and technical reinforcement of the Environment Department established in 1990.

9. The last priority area, health. UNDP will assist the Government in its fight against AIDS and malaria by providing the United Nations Volunteers (UNV) with the physical equipment they need for their work and will help, in collaboration with other donors, to draw up a strategy for the selective and gradual withdrawal of UNDP assistance.

10. Moreover, a review of the areas of intervention in the light of the priority themes of the UNDP Governing Council decision 90/34 indicates that (i) certain activities are identical in substance with the themes of that decision (management capacity-building, environmental protection); (ii) a number of its themes are echoed strongly under certain area headings (anti-poverty and environmental protection activities under eco-agriculture, for example); (iii) other themes are threaded through activities described under other headings (TCDC, transfer of technology and anti-poverty measures under private sector development, for example); (iv) although no direct reference was made to them, it is obvious that concerns about human development permeate the activities in each area of intervention, whether those activities are the prerequisites for a climate favourable to human development or they constitute one of the driving forces of that development.

III. MANAGEMENT OF THE COUNTRY PROGRAMME

11. Primary emphasis is given, in implementing the country programme for the Comoros, to putting together in a coherent fashion clusters of projects or framework-programmes that meet the threefold requirement of promotion, coordination and complementarity of the assistance provided - the methodological basis for designing the programmes - and that they exhibit overall and sectoral coherence in the context of PAS while at the same time strengthening the Government's capacity to mobilize and coordinate external resources.

12. With regard to the requirements for project execution, the specific situation of the Comorian Administration is such that it would be preferable to effect the transfer of responsibility for project management in a gradual and selective manner. The executing agencies will be involved in the implementation of the country programme.

13. Control, evaluation and coordination of the activities of the fourth country programme will be performed in accordance with the methodology established by UNDP (progress reports, tripartite reviews, in-depth

evaluations, annual reviews and mid-term reviews). That process will respect the contributions of the local channels of consultation with the Government and the other development partners of the Comoros mentioned in paragraph 2.

IV. RECOMMENDATION OF THE ADMINISTRATOR

14. This note demonstrates that the fourth country programme has been developed in accordance with the instructions contained in the advisory note in collaboration with the national authorities, and it reflects the priority development needs of the Comoros.

15. The Administrator recommends that the Governing Council approve the fourth country programme for the Comoros.